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May 22, 2007

VIA EFILING, TELECOPY AND HAND DELIVERY

Mr. Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Synergy Business Park, Saluda Building
101 Executive Center Drive
Columbia, SC 29210

**Re: Application of Ashley Oaks Water System, Incorporated
Docket No. 2007-41-W**

Dear Mr. Terreni:

The Office of Regulatory Staff ("ORS") is in receipt of the letter filed on behalf of the Ashley Oaks Phase I Homeowners Association ("Homeowners Association") in this docket. ORS supports a bifurcation of the property/easement issues raised by intervenors Stewart and Roberta Young from the approval of the transfer of water system to the City of Columbia.

ORS urges the Commission to immediately approve the transfer of the operation of the Ashley Oaks water system to the City of Columbia. ORS agrees with the Homeowners Association that the order approving that action make it clear that the approval of the transfer of operations will not have any effect on the issues raised by intervenors Stewart and Roberta Young. ORS respectfully submits that the Commission has the authority under these circumstances to approve the transfer immediately without prejudice to the Young's opportunity to be heard on the issues which they have raised in their petition and return to the ORS motion.

If the Commission issues an order approving the transfer of operations while reserving the other issues raised by the parties, no party will have a legal ground for objecting to the action taken by the Commission.

Thank you for your consideration of this urgent matter.

Very truly yours,

Nanette S. Edwards

cc: Charles H. Cook, Esquire
Frank R. Ellerbe, III, Esquire
H. Clayton Walker, Jr., Esquire
William E. Booth, III, Esquire
Stephen P. Hightower, Esq.